

Between 1980 and 1992, income for the top 20 percent increased by 16 percent. During that same period, income for the bottom 20 percent declined by 7 percent. For the first 10 of those 12 years, between 1980 and 1990, there were no votes to increase the minimum wage. Without an increase in the minimum wage, those with little money end up with less money. That is because the cost of living continues to rise.

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By 1993, families in the top 20 percent had an average income of \$104,616. Families in the bottom 20 percent in America only had an average income of just \$12,964. That is a gap of more than \$90,000.

Mr. Speaker, that amount of money makes a big difference in the ability of families to buy food and shelter, to pay for energy to heat their homes, and to be able to clothe, care for, and educate their children. That amount of money makes the difference between families with abundance and families in poverty.

An increase in the minimum wage will not provide abundance, but it can raise working families out of poverty.

As income dropped for low-income families during the decade of the 1980's, costs escalated. The earnings of the bottom 20 percent of families dropped by nearly \$1,000 during that period. At the same time, the income of the top 20 percent of families climbed by almost \$14,000. This gap cannot continue.

While the income for the bottom 20 percent was declining, the rate of inflation for food, shelter, heating fuel, clothing, transportation, and medical care was increasing.

In other words, Mr. Speaker, the cost of bread, milk, eggs, a place to sleep, heat, clothing to wear, a bus ride, and a visit to the doctor went up, as the income of poor people went down. The rate of inflation for each of those items increased, on average, 60 percent, with a low of 31 percent and a high of 117 percent.

Despite these spiraling prices, Congress took no steps to increase the minimum wage, and poor people—the bottom 20 percent—became poorer. That deep valley remains with us today.

The bottom 20 percent of our citizens can have a full-time employee in the family, working at least 40 hours a week, and still not be able to make ends meet—still living in poverty.

At least, they can be working 40 hours and still not be out of poverty. Their earnings from those families have not gone up, and they need to go up and we need to reward work, not make it a penalty. Work is a burden when, despite an individual's best efforts, 40 hours of work, they find themselves paying more for the necessities of life and yet earning less as income.

Other nations around the world have lessened that gap, have been faced with the same gap, but found ways to reduce that gap between those who lived at

the top and those who are on the bottom.

We pride ourselves on being competitive with France and Germany and Japan, but we are not really competitive in giving people a decent wage. The gap is much closer there than it is here. Additionally, a recent survey indicated job growth in America is the lowest where the income gap in the widest. When we have a wide gap, we really do not have a strong economy. So having a wide gap hurts our economy. Closing that gap helps everybody, and especially it helps those of the lowest. We should be about the record of establishing that we believe that all Americans have the right to a decent salary if they are willing to work.

Mr. Speaker, New Jersey had such an experience. They raised the minimum wage and the States around them did not. At the same time, they saw jobs increase where their neighbors' jobs decreased.

Mr. Speaker, we should be about raising the salary of those who work. The minimum wage is the least we should do. It is about being fair to citizens. It is about being fair to our economy, closing the gap between the upper 20 percent and the lower 20 percent.

Mr. Speaker, we need to support the minimum wage.

I urge all of my colleagues to at least do that.

#### A CLARIFICATION OF THE RECORD

The SPEAKER pro tempore (Mr. HANSEN). Under a previous order of the House, the gentleman from Utah [Mr. ORTON] is recognized for 5 minutes.

Mr. ORTON. Mr. Speaker, yesterday, during floor debate on H.R. 2 and consideration of my amendment to extend line-item veto to contract authority, an exchange between myself and Mr. SHUSTER, the gentleman from Pennsylvania, occurred which I would like to clarify.

During debate, I made the following statement: I want to share with my colleagues a telephone call which I received from a mayor in my district. The mayor called to question my amendment and express concern over funding for a highway project in the city. The mayor stated that staff of Chairman SHUSTER had let it be known that they are looking at transportation projects in my district, and if I offer this amendment there will be retaliation. It was suggested that we would neither get any further contract authority nor authorization for appropriations for future funding of projects in my district. That statement is accurate.

After my statement, Mr. SHUSTER sought recognition and made the following statement: My good friend mentions projects in his own district and a mayor calling him. Well I am a little surprised. I am told the gentleman has five projects which were in ISTEA.

And later at the end of debate, Mr. SHUSTER again took the floor and made

the following statement: My friend from Utah made the allegation that a member of my staff called the mayor of Provo, UT, to pressure him to get him to withdraw this amendment.

I have not only talked to my staff, I have just gotten off the phone from talking to the office of the mayor of Provo, Ut. No one from my staff spoke to the mayor of Provo, Ut.

I am sure my good friend in the heat of the moment made an honest mistake, but I would simply like to RECORD to reflect that.

Mr. Speaker, tonight I have taken the floor to clarify the record.

In my statement, I made no reference to which mayor contacted me. There are several cities in my district with transportation projects, including Salt Lake City, West Valley City, Orem City and Provo City among others.

Also, I did not allege that the mayor called to pressure me to withdraw my amendment.

Prior to making my statement yesterday, I spoke to the mayor and the lobbyist representing the city. This is what was reported to me: First, that a member of Chairman SHUSTER's staff informed the lobbyist representing the city that they were looking at transportation projects within my district and relayed a not so veiled threat of retaliation. Second, that the lobbyist conveyed the information to the mayor who then called me to express concern over funding for a project.

After explaining my amendment to the mayor, the mayor expressed personal support for my amendment, saying that this was not the message the lobbyist wanted delivered but that I should do what is right and let the chips fall where they may. There are witnesses to my conversations.

In closing, let me say that it appears to me that the information conveyed to me through the lobbyist and the mayor was accurate. Chairman SHUSTER referred exactly to the number of transportation projects in my district—and knew exactly which mayor to call, even though I have never referred to which city's mayor contacted me.

#### EXPRESSING SUPPORT FOR ADMINISTRATION DECISION TO IMPOSE SANCTIONS ON CHINESE PRODUCTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I rise today to express support for the Clinton administration's decision on Saturday to impose sanctions on Chinese products because of China's failure to protect and enforce intellectual property rights of United States companies and its failure to provide market access for intellectual property-based products and industries.

China's piracy of United States CD's, videotapes, software and other intellectual properties costs the United States Economy at least \$1 billion a year. This means lost American jobs.

The administration's actions, after prolonged negotiations, are long overdue. Indeed, many of us had encouraged President Bush to take this action instead of giving credence to the United States-China memorandum of understanding on intellectual property a few years ago.

Indeed, this action is the same one many of us had urged the administration to take on behalf of promoting human rights in China.

While I am pleased the Clinton administration has taken this step, it is ironic that such an action is being taken to protect products, but that it was not taken to protect human life and human rights. The United States business community is now seeing that human rights and economic certainty are connected as they face problems with a lack of rule of law and respect for contracts in China.

There are other ironies in this decision, Mr. Speaker. Last year, when the President granted MFN to China unconditionally, the argument was made that the approach targeting sanctions on State enterprises including products made by the People's Liberation Army advanced by then Senator majority leader Mitchell, then House majority leader GEPHARDT, majority whip, BONIOR, and me, was not implementable.

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And in an August 5 letter to Members the Commissioner of Customs stated that our approach would not work because there are no longer clear distinctions between companies that are State-owned enterprises and those that are not. It is important to note therefore, Mr. Speaker, that the sanctions scheduled to go into effect February 26 if the Chinese do not come around and hopefully they will, specifically target some of China's State-owned enterprises including some run by the People's Liberation Army. In fact at its February 4 conference announcing the imposition of sanctions Ambassador Kantor while listing criteria for picking the products for sanctions listed said No. 2, we picked products that were more involved with China's state enterprises than other enterprises. Indeed I also want to call to the attention of our colleagues that last year when we were having this same debate about sanctions on products made especially by State-run industries and the People's Liberation Army that some of our colleagues in fighting our legislation sent a "Dear Colleague" which says:

Imposing sanctions against products produced by the Chinese Army defense-related companies and State-owned enterprises will be unworkable and unenforceable. It would be a logistical nightmare for the U.S. Customs Service to try to manage. Not only is it almost impossible to identify Chinese

Army ownership of Chinese companies but in a mixed economy like China's, it is also virtually impossible to draw clear lines between State and nonState activity.

Well I guess a lot has happened in the past 6 months because we have all of a sudden now, the proposal we are making is indeed one that is being proposed by the administration. I say that once again in support of the action that was taken because those of us who are concerned about human rights in China are also concerned about violations of our trade relationship and also about the proliferation issues.

Mr. Speaker, I yield to my colleague, the gentleman from California [Mr. ROHRABACHER.]

Mr. ROHRABACHER. I would just note that the Chinese have a \$24 billion trade surplus.

Ms. PELOSI. If the gentleman would allow, now \$30 billion.

Mr. ROHRABACHER. Now \$30 billion. Now a \$30 billion trade surplus with the United States. And for these people, for the Government of China to be running these factory operations, stealing our intellectual property rights, ripping them off, extracting funds from our pockets to the tune of \$1 billion a year, these are the factories that are, as the gentleman has just stated, so clearly these are not private sector factors in China, they are factories run by the government and the army themselves. And this adds insult to injury. They are not just satisfied with a \$29-billion surplus, they have to rip us off and then even export the intellectual property rights, the CD disks, the software that they are producing.

In our State of California hundreds of thousands of people pay for their mortgage, feed their children, clothe their families, educate their children with the money that they get from jobs related to the entertainment industry. We are now on the edge of a new era where ideas and creative instincts become evermore important. This kind of rip-off is incredible and I am very pleased that the gentleman has taken the leadership on this.

#### CONTINUATION OF DISCUSSION ON CHINESE SANCTIONS

The SPEAKER pro tempore (Mr. HANSEN). Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

Mr. ROHRABACHER. I thank the Speaker, and I yield to the gentleman from northern California [Ms. PELOSI].

Ms. PELOSI. I thank the gentleman for yielding, and I thank the Speaker for his directing our debate in this way.

I appreciate the remarks the gentleman has made because indeed the Chinese Government has not only been ripping off our intellectual property, they also have been exporting this intellectual property which they have pirated to other countries in Asia, again

hurting United States jobs here at home.

So I commend the administration for finally placing sanctions on China. I think it is important that our colleagues know because many of us who voted together on this issue that the sanctions that were placed on the Chinese Government are the self-same sanctions we were recommending that the administration at that time said were unworkable when we were proposing them for promoting human rights in China and Tibet.

I would like to make a further point that since the President made his MFN decision, human rights violations in China have increased. The crackdown has intensified in China and Tibet. That can be documented when we have more time.

The trade deficit has increased to \$30 billion in 1994 and is growing. The proliferation issue is still not resolved in China. Indeed, the evidence is that they are still exporting dangerous technology to unsafeguarded countries.

Having said that, I still commend the administration for finally standing tall and taking the action that they did.

Mr. ROHRABACHER. As the gentleman knows, many of the businessmen who decided they were going to make a quick buck and an easy buck making a deal with this dictatorship on the mainland are now finding that they are being ripped off by that Government. The fact is that our own business community that was so much in favor of the most favored nation for the Chinese and said forget human rights are now finding that the Government that abuses the human rights of its ownpeople will certainly negate a contract with a foreigner. And millions upon hundreds of millions of dollars are being lost. I predict even billions of dollars will be lost because this is an outlawed gangster regime and America should be on the side of freedom. It is right in the long run, it is beneficial in the long run.

Ms. PELOSI. If the gentleman will yield further, once again I thank the gentleman for the opportunity to extend my remarks and those of my colleague. The fact is that we will have another evening to talk about the violations of human rights in China, but in addition to the violations of the intellectual property rights—and in China the piracy is rampant, enforcement is absent and the cost to the United States taxpayer and the American worker is huge. In addition to that, they are violating our trade relations with transshipments, exporting of products made by prison labor, by market barriers to United States products going on into China; the list goes on and on. As my colleague so ably said, there is a connection between human rights and business, and that promoting human rights is good for business because then American businesses going into China will know that their contracts will be honored, that